

GUIDELINES ON BUILDING SITE LEASE

A. POLICY

1. It is the policy of Government to grant building site leases in favour of persons of the low income group. Usually the extent of a building site is about 0A04 (4 square perches) or about 170m². In accordance with Section 6 of the State Land Act, the approval of the Minister is sought before a building site lease is drawn up between the Government as the Lessor and the beneficiary as the Lessee.

B. CRITERIA FOR ELIGIBILITY AND RENTAL

2. The present Policy is for the applicant and/or his spouse satisfying the following conditions:

- (i) not normally be a land owner;
- (ii) not be owner of an ex-CHA housing unit or a NHDC housing unit; and
- (iii) have a family income of not more than Rs 7,500 per month.

3. Subject to availability of land, the Applicant who satisfies the above criteria is granted a building site lease for residential purposes for period starting as from date of letter conveying approval to expire on 30 June 2060 at an initial rent depending on monthly family income for period starting as from date of approval with an increase of 50% in the annual rent every ten years or part thereof up to 30 June 2060.

4. The same conditions are applicable to sitting lessees who are granted new leases upon expiry. However, if the lessees are found to be owner of private land or CHA/NHDC units after the signature of the original lease, the new lease expiring on 30/06/2060 with rent based on the family income + additional rent of Rs 1000 for the first 10 years with a 50% increase in annual rent for each and subsequent ten years up to 30.06.2060 is applicable.

5. Applicant with monthly income falling within the income bracket as per table hereunder may also be considered for the grant of a building site lease normally under the following approved rent terms.

Monthly Family Income	Annual Rent to be claimed for first ten years
Up to Rs 7,500	Rs 1.00
Rs 7,501- Rs 10,000	Rs 1,000
Rs 10,001 to Rs 15,000	Rs 2,000
Rs 15,001 to Rs 25,000	Rs 3,000
Above Rs 25,000	Rs 6,000
Above Rs 50,000	As assessed by Valuation Department

An additional sum of Rs 1,000 will be claimed from lessees/heirs who have become landowners upon renewal or transfer of the building site lease.